

to protect communities and individuals. We cannot allow emerging issues to destroy our nation's efforts to enhance the health status of the population. If we continue to divert funds from critical investments in public health because of short-term goals and a "military first" attitude, we will inevitably harm our nation's health in many other areas. A single-minded focus on bioterrorism that neglects ongoing public health needs is a shortsighted and dangerous policy.

I strongly urge my colleagues to read the enclosed full text of Dr. Young's very informative op-ed.

[From the Chicago Tribune, Feb. 17, 2002]

PRESIDENT PUTS MILITARY FUNDS AHEAD OF  
THOSE FOR HEALTH

(By Dr. Quentin Young.)

Americans, still on the threshold of the 21st Century, confront an uncertain, even frightening, future, not least because their public health system is diving headlong into errors of the past.

On Feb. 4, President George W. Bush presented his FY 2003 budget to Congress.

Its health provisions repeat the dangerous errors of the past, especially with its focus on defense. To truly strengthen the public health system, millions should have been added to the budget of the Centers of Disease Control and Prevention. Instead, CDC would take a \$340 million reduction in expenditures not devoted to "anti-terrorism."

A sampling of the reductions indicates a \$57 million slash in the program for chronic disease prevention and health promotion, \$10 million for infectious disease control, \$9 million for Medicaid funding. On the other hand, there is a 33 percent increase in funding for abstinence-only-until-marriage education. The decision to increase community health center support by \$114 million was helpful; it probably should have been more.

Our public health system needs serious invigoration based on adequate funding at all levels. The president, however, has debilitated the system by removing support for programs with proven success and doing nothing to rally independent public support for the mission of public health. Finally, he has moved a long way toward repeating the 1950s blunder: subordinating the public health system to military priorities.

The nation may pay dearly for this strategy.

A good way to approach an understanding of the place of contemporary public health is to look backward a century and a half. Such an examination will define our current situation and how we got there. It can illuminate the wisest decisions we can make based on science and practice.

In the past 150 years, life expectancy in our country has doubled, from 40 years to nearly 80 years. This astounding extension of life in such a brief time has no precedent in the human experience.

It was achieved fundamentally by public health triumphs: the separation of sewage from drinking water, mass immunization, discovery and elimination of insect vectors of disease, improved nutrition, prenatal care, purification of the food supply, addressing ambient pollution, and diminishing workplace hazards. The public valued these gains. The decline in the perils to life was palpable. A grateful citizenry accepted the rules and regulations that the preventive discipline required. Fiscal and political support were there for the array of measures—from compulsory immunization to meat inspection—needed to improve the nation's health.

Until the 1950s.

Then, three powerful currents emerged and converged to undermine the vigor and the

readiness of the public health establishment. The recent panicky response to the anthrax letters and the legislative fixes being proposed will achieve the necessary safeguards only if we recognize how we blundered in midcentury and if we resolve not to repeat history's mistakes.

The first blow came, paradoxically, from the success of the system.

In a recent article, Lawrence Gostin and M. Gregg Bloche captured this turnaround: "Americans saw these [public health] activities as vital to their security, no less so than military force or police and fire protection. Taxpayers supported the needed spending. Lawmakers empowered local health authorities to move robustly when contagion threatened. Destruction of buildings, killing of infected animals and even restraints on the movement of infected people were provided for by law and widely accepted by citizens."

"But after World War II, American public health fell victim to its own success. Thanks to city-planning and sanitation campaigns of the early 20th Century and the antibiotic revolution of the 1940s, fear of infectious disease waned. The conquest of polio through vaccination in the 1950s delivered the coup de grace for public health's middle-class constituency."

Despite awesome accomplishments, public health was now the Cinderella—nay the Caliban—of our health system. Although exploding health expenditures reached \$1.4 trillion by 1999, less than 2 percent was allocated to all activities in public health. The workforce, the facilities, the technology—all of the basics—fell behind.

The second undoing of progressive growth of public health was essentially political. This derived from the hard fact that it is a governmental function, totally dependent on fiscal and legislative policies. Because the designated leaders—from the local and state health department directors on up to the surgeon general—are all political appointees who serve at the pleasure of an elected chief executive, an effective independent professional advocacy did not and perhaps could not develop.

These health chieftains were locked into a loyalty to their sponsors. They cannot question the budgetary and policy devolution openly and expect to keep their jobs. At the local, state and federal levels, the reward for public health successes was reduction of support from the public treasury.

The third major element in the decline in U.S. public health over the past half-century is a cautionary tale. It is quite pertinent to the re-emergence of concern with bioterrorism, which is the deliberate use of lethal pathogens on your opponents. It was Alexander Langmuir, chief epidemiologist at the CDC, who was the architect of the dramatic shift in research and funding to look at what was called biological warfare in the midcentury realpolitik.

The irony of the resource shift lies in the reality that we have not developed reliable defenses against hostile use of organisms. We have a gigantic capacity to create these weapons, but the option to use them is illusory. Nor do our weapons offer deterrence to enemies who are not powerful nation-states but an elusive network of terrorists who claim to welcome death in the service of injury to us.

An unintended consequence of Sept. 11 is an overdue appreciation and enthusiasm for the vital functions of public health. We have not been at all steadfast in this regard in the past five decades. Indeed, we have been heedless. In all quarters the question arises: Can we now build a public health capability that is robust and responsive, independent of volatile political swings?

Above all, can we avoid the trap of reducing our focus to garrison state protection functions? The system should be developing defenses against all threats to the public's health, including bioterrorist ones. However, we should recognize the folly of neglecting or abandoning the great array of other crucial functions.

Public health has been defined as those things society as a whole does together to enhance the health status of the population. This tradition grows out of premises that include equity, social justice, confidence in government capability in a democratic society, and reliance on observation and scientific validity to guide practice in the community. When the system works efficiently and compassionately, it generates the solidarity and confidence much needed in a time of confusion and polarization.

To achieve the benefits of a vigorous, fully developed public health system, our strategy should not repeat the major errors of the past: Do not abandon sustained support of public health because of short-term achievements; Decouple the subordination of public health leadership to politicians; introduce a tradition of independence from partisan politics by developing an informed citizenry acting as public health advocates; Do not let the system become simply an auxiliary to the military.

## INTERNET FREEDOM AND BROADBAND DEPLOYMENT ACT OF 2001

SPEECH OF

**HON. EARL POMEROY**

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 2002

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1542) to deregulate the Internet and high speed data services, and for other purposes:

Mr. POMEROY. Mr. Chairman, I rise today in opposition to H.R. 1542, the Internet Freedom and Broadband Deployment Act. As a member representing one of the most rural states in our nation, I believe that this bill will do nothing to spur broadband deployment in rural America, while destroying the ability of the FCC and state regulatory commissions to provide valuable consumer protections.

The Bell companies say they are eager to deploy broadband in rural areas, but their actions speak louder than their words: for years, the Bells have sold off millions of lines in rural America. These companies have no commitment to rural America, and passing this bill will not change that. In fact, the Bells can easily evade the rural broadband development provisions of this bill simply by selling off additional rural exchanges. Rather than encouraging Bells to invest in rural America, this bill increases their incentives to accelerate their rural sell-off.

Small carriers and local providers have long been the lifeblood of communications services in rural America, yet this bill allows the Bells to deny these companies access to their networks. The very small competitors which today provide outstanding communications services in rural North Dakota and throughout the country could be quickly put out of business by this bill. Thousands of jobs at these competitive carriers would be lost.

What's more, H.R. 1542 preempts states from regulating high-speed data service altogether. This provision would prohibit states and the FCC from providing basic consumer protections, such as restrictions on unsolicited email and child pornography. The Bell companies pay millions of dollars in fines each year for violating state and federal laws, yet H.R. 1542 would remove almost all oversight of their high-speed activities, putting consumers at risk.

Rather than guaranteeing rural broadband service to rural America, H.R. 1542 simply provides the Bells with a tool to destroy their smaller competitors and avoid state and federal regulatory agencies. This bill is bad for competition and bad for consumers. I urge my colleagues to vote no.

#### TRIBUTE TO JAMEL BRADLEY

### HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, February 28, 2002*

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to Jamel Bradley as he—along with Columbia native Aaron Lucas—prepares to play his final home game as #10 for the University of South Carolina Gamecocks on Saturday, March 2, 2002 Senior Day.

Leading college basketball's Southeastern Conference and ranking in the top ten nationally in three-point field goals as well as setting the three point record at USC would be reasons enough to recognize senior Jamel Bradley's accomplishments. What is even more extraordinary is the path that brought him to these amazing achievements.

At 18 months old, Jamel suffered an illness that kept his temperature at 106 degrees for three straight days. Although he recovered, 80% of his hearing was gone. As a child growing up in West Virginia, Jamel never felt he "belonged in this world." The hearing aids in both ears were inadequate and only served to stigmatize him. It wasn't until he found basketball that he discovered a way to fit in with his peers.

His success on the court led him to the USC Gamecocks and another life-changing event. This time Jamel received program-mable, omni-directional hearing aids that restored 75–80% of his hearing. For the first time he could remember, he heard birds chirping and clocks ticking.

Jamel's basketball accomplishments also took him to Rome, Italy last summer where he scored 33 points in the Championship Game of the Deaflympics, leading the U.S. team to a gold medal. This reinforced what Jamel had come to realize—his hearing deficiency would not and should not keep him from achieving his goals. That is a message that he enjoys sharing with deaf youth while serving as the role model he never had growing up.

Recently the ESPN Sports Network brought his low-key, inspirational style to a nationwide audience. Now his story has served to inspire children with disabilities across the country. Since Jamel's story aired, calls and emails have poured into USC's Basketball office attesting to the impact his story has had on others. It had a tremendous impact on me.

Mr. Speaker, I ask you and my colleagues to join me today in honoring Jamel Bradley.

The contributions he has made both on and off the basketball court will leave lasting impressions on all those he has touched. He is a remarkable young man. I wish him continued success and Godspeed!

#### COMPREHENSIVE INVESTOR PROTECTION ACT OF 2002, H.R. 3818

### HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, February 28, 2002*

Mr. LaFALCE. Mr. Speaker, today, I am very eased to join with Minority Leader GEPHARDT and many of my Democratic colleagues in introducing the Comprehensive Investor Protection Act of 2002. Well before the failure of Enron, I had spoken out frequently on my concerns that fraudulent financial reporting and earnings manipulation by public companies was endangering the savings and retirement plans of many Americans. Now that Enron has made the systemic problems in our financial oversight and disclosure systems all too clear to everyone, we have an opportunity to adopt serious reforms to correct the weaknesses that are undermining confidence in our capital markets.

Our bill will significantly enhance the independence and oversight of the accounting industry and puts on the table a full range of reforms to make real improvements in investor protection.

The bill adopts the proposal made by former SEC Chairman Levitt in 2000 to separate audit and consulting functions by prohibiting substantially all non-audit services that auditors have been providing to their audit clients, in addition to incorporating other significant provisions aimed at enhancing auditor independence.

The bill creates a Public Accounting Regulatory Board to provide strong and effective oversight of the auditing industry. We provide this new regulator with explicit, broad oversight authority and a stable funding source to ensure it can take tough action to provide effective oversight of the auditing industry, including direct inspection of audits.

The bill changes the way that auditors work with audit clients by ensuring that the audit committee is responsible for hiring and firing auditors. This has been advocated by five former SEC Chairmen as a way to make sure that auditors are clearly and directly responsible to the audit committee and shareholders, not to management.

The bill restores both joint and several liability and aiding and abetting liability for auditors and other outside professionals, as advocated by consumer and investor groups.

The bill places additional restrictions on securities analysts, including restrictions that have already been adopted by some major securities firms, but that were not included in the measures proposed by the NYSE and NASD last week.

Finally, an essential step in restoring the vitality of the financial reporting system is to provide a significant increase in SEC resources. I have been very pleased to see that our Republican colleagues have now heard my year-long calls for a significant increase in SEC resources. But I have been very concerned that the increase that they call for does

not provide for pay parity for SEC staff generally. Funding pay parity is essential for the SEC to be able to hire and retain experienced, professional staff needed to restore confidence in our capital markets and our financial reporting system. My bill addresses this by authorizing a doubling of staff for the Division of Corporate Finance, the Office of the Chief Accountant, and the Division of Enforcement, while providing full pay parity for all SEC staff.

I thank my colleagues for joining me today in introducing a bill that I believe represents a significant step forward in restoring the integrity of our system and providing investors the protections they expect and deserve.

#### SUMMARY OF 2002 COMPREHENSIVE INVESTOR PROTECTION ACT ("CIPA") H.R. 3818

Auditor Independence: CIPA would seek to ensure that an auditor's first duty is to the public by substantially limiting the non-audit services an auditor may provide to an audit client. The prohibited services to an audit client include, among others: (1) book-keeping; (2) financial information systems design (3) valuation services and fairness opinions; (4) internal audit services; (5) managerial services (i.e. acting as a director or officer); and (6) broker-dealer, investment adviser or investment banking services. Tax-related services and other non-audit services not otherwise enumerated would be subject to the approval of the audit committee, which would evaluate the effect of the provision of such services on the auditor's independence.

Corporate Governance and additional Independence requirements: CIPA includes a list of critical reforms in corporate governance and auditor independence, including:

(1) requiring a 4-year rotation of a registrant's auditor, with the possibility of one 4-year extension so long as the Public Accounting Regulatory Board approves such extension, after due review and inspection of the audit.

(2) vesting the audit committee with the power to hire and fire its auditors;

(3) requiring the audit committee to meet quarterly with its auditors and have an opportunity to do so outside the presence of management;

(4) requiring a 2-year cooling off period for certain former auditor employees before they could work for an audit client;

(5) making it unlawful for the issuer to improperly influence an auditor in the performance of an audit;

(6) prohibiting directors from providing consulting services to the issuer; and

(7) prohibiting the issuer from making charitable contributions to organizations associated with any director.

In addition, the bill would require extensive disclosures to make transparent to shareholders and investors the relationships that compromise independence that now prevail on many corporate boards among officers, directors and affiliates of the issuer.

Regulation of the Auditors: CIPA would create a strong public regulator, with clearly defined duties and powers mandated by Congress, to provide comprehensive oversight of accountants.

A super majority of a 7-member board would be selected from the public and would represent the interests of shareholders, investors, pension beneficiaries and future retirees.

The Chairman of the Board would be appointed jointly by the SEC and the Comptroller General.

An Appointment Committee, consisting of the Chairman of the Board, the Chairman of the SEC, and the Comptroller General shall select the six remaining Board members